

Consultant Investment Fund Services

The Millennium Challenge Corporation (MCC) requires a consultant to conduct an Interim Activity Review (IAR) related to the Georgia Regional Development Fund (GRDF) activity for the Department of Compact Implementation's Financial and Private Sector Development (FPSD) Group in the Republic of Georgia. An IAR is distinct from an audit or post-Compact impact evaluation. The overall objective of this assignment is to support MCC's program oversight by providing a technical critique of the objectives, operation, management and impact of the GRDF. Based on the findings, the consultant is asked to provide recommendations to MCC concerning the design and operations of similar mechanisms.

Background

The Millennium Challenge Corporation (MCC), an innovative foreign assistance Federal government entity with the mission to reduce poverty by promoting sustainable economic growth. MCC, a U.S. government corporation, is based on the principle that aid is most effective in countries that promote good governance, economic freedom, and investments in people.

A key activity in MCC's Compact with the Republic of Georgia is the Investment Fund Activity. This Compact activity created and funded the GRDF, an independently managed investment fund that is providing capital and technical assistance to Small and Medium-Sized Enterprise (SMEs), primarily to those engaged in agribusiness and tourism outside of the capital, Tbilisi. To date, the GRDF has invested approximately \$21.5 million in the equity and/or debt of ten enterprises and has the capacity to make approximately an additional \$10 million in SME investments. The GRDF is managed by the Small Enterprise Assistance Fund (SEAF), with an independent board of directors and oversight provided through the Millennium Challenge Account in Georgia (MCA-Georgia).

Consultant Requirements

Duties will include (but are not limited to):

- Become familiar with the MCC documents and objectives through the review of key compact and fund management documents, reports, and meetings with the FPSD team.
- Create a Work Plan that outlines the consultant's work for the term of the consultancy, methodology, deliverable submission dates, and other key information.
- Travel to and within the Republic of Georgia to meet with the Resident Country Mission (RCM) and MCA-Georgia staff, fund management staff, and a sampling of current and potential GRDF investees.
- Identify implementation processes (marketing, project selection, financial analysis, financial controls, reporting, allowance of lost reserves, etc) employed by the Fund Manager, assess their compliance with the Fund documents, and evaluate if these are appropriate practices for the achievement of Fund objectives.
- Evaluate the effectiveness of GRDF board oversight regarding investment decisions and financial performance.
- Qualify interim activity results, achievements, and lessons learned.

- Assess the reliability and consistency of *development return* data, i.e. jobs created, taxes paid, local supplier purchasing, etc., as well as the labor-intensiveness of collecting this data.
- Review technical assistance (TA) provided and impact to date and, if appropriate, make recommendations for the adjustment of TA facility guidelines.
- Perform a limited counterfactual analysis to begin to assess where would the companies be without GRDF investment and would they have been able to obtain financing from other sources. This assessment should be based on discussions with stakeholders, financial institutions, and SMEs that have not benefited from GRDF financing.
- Evaluate if the Fund has/will achieve its intended purpose of expanding, diversifying the SMEs sector in Georgia, principally out of Tbilisi?
- Review economic, operational and political factors influencing the investment environment in Georgia. Assess their impact on past and future GRDF investment activities.
- Project future demand for GRDF and/or similar investment funds in Georgia.
- Time permitting, assess the adequacy of GRDF reserve calculations.
- Provide a detailed and comprehensive written report on the GRDF to the MCC Senior Director, Financial and Private Sector Development.

The selected consultant will follow a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis framework and, based on that, provide a set of recommendations aimed at improving project implementation and the achievement of project objectives. All information shared with and received by the consultant shall be considered proprietary and confidential.

It is contemplated that a task order contract will be awarded with a twelve month period of performance. Performance will be authorized by the issuance of task orders. The initial task order will require commencement of performance on or about April 1, 2010; and completion of the effort within 29 working days. Assignments could range from a few days to a few months in duration. Travel to MCC's partner countries may be required. There will be no commitment to a minimum or maximum amount of work after the award of a contract.

This announcement is not restricted to U.S. citizens

NOTE: Consultants that perform services under the resultant contract may be precluded from bidding on works and services procured by the MCA entity of that country.

Evaluation Criteria

The following evaluation criteria will determine the successful candidate based on best value trade-off analysis.

1. Technical Capability

- Minimum of five (5) years experience with development funds, private equity, and/or venture capital and ten (10) years working in developing countries on financial sector or privates sector development projects.
- Regional experience and/or Georgia-specific experience are preferred.
- Quality of past performance.
- Fluency in English; and a strong working knowledge of Russian is preferred.

- Ability to mobilize on short notice and to deliver high-quality finished products in a timely manner.

2. Billing Rates

How to Apply

Interested parties should submit by email to recruitment@mcc.gov the following package: 1) Curriculum Vitae, 2) a brief cover letter that addresses the evaluation criteria and provides three professional references with contact information, and 3) Salary history with proposed hourly rate. Please include "Investment Fund Consultant" in your e-mail subject line. Registration in the Central Contractor Registration database (www.ccr.gov) is required prior to award of a contract by a Federal government agency.

This announcement will expire on March 22, 2010.

MCC is an equal opportunity employer.